

# Memorandum

Date:

November 4, 2014

To:

Jesse Carriger, Manager, Planning/Programming Branch (AGL-610)

From:

John L. Mayfield Jr., Manager, Detroit Airports District Office (DET-ADO)

Prepared by:

Diane Morse, Program Manager, Detroit Airports District Office (DET-ADO)

Subject:

FAA Oversight of Sub-block Processing in Block-Grant States (Michigan).

#### Purpose

Title 49 U.S.C. §47128 authorizes the Federal Aviation Administration's (FAA's) current State Block Grant Program (SBGP); FAA regulation 14 CFR, Part 16 discusses how FAA carries out the SBGP, FAA Order 5100.38C, Airport Improvement Program Handbook, paragraphs 1090-1099, provides guidance for administering the block grant, and the Michigan SBGP Memorandum of Agreement (MOA) spells out procedures for executing the block grant program. Ongoing review of the SBGP by FAA is required by Title 49 U.S.C. §47128 to evaluate compliance with the regulation, order and MOA.

#### Scope

This audit reviews the internal control over grant documentation for sub-grants issued by the Michigan Department of Transportation, Office of Aeronautics' (MDOT AERO) grant management process. This review does not provide an opinion on the eligibility or justification of the individual projects.

The Detroit Airports District Office (DET ADO) audited the following airports:

Location	SBGP #	Sub-Grant #	<b>Grant Description</b>	Status
	3-26-SBGP-4506			
	3-26-SBGP-5007			
ADRIAN (ADG)	3-26-SBGP-6209	B-26-0001-3009	Rehabilitate terminal apron	Closed
			Land acquisition condemnation	
			costs (parcels E60-E64 & E67)	
ADRIAN (ADG)	3-26-SBGP-6610	B-26-0001-3110	phase 1	Open
	25		Land acquisition condemnation	
			costs (parcels E60-E64 & E67)	
ADRIAN (ADG)	3-26-SBGP-7711	B-26-0001-3211	phase 2	Open
ADRIAN (ADG)	3-26-SBGP-6209	B-26-0001-3309	Airfield crack sealing	Closed
			Land acquisition condemnation	
			costs for Rwy 23 RPZ - phase 3	
ADRIAN (ADG)	3-26-SBGP-8512	D-26-0001-3412	(parcels E60-E64 & E67)	Open

				2
Location	SBGP#	Sub-Grant #	Grant Description	Status
	3-26-SBGP-6610		Acquire Land for approaches or	
ADRIAN (ADG)	3-26-SBGP-8111	B-26-0001-3510	RPZ - parcel 60	Open
			Rehabilitate Apron (east)	
	Andreich Austria Stein (1903) (1909) (1909) (1909)	25.00 - 10-000000-000000000000000000000000	including west Parking Lot -	
ADRIAN (ADG)	3-26-SBGP-8813	B-26-0001-3613	Design	Open
			Acquire Land - Rwy 23 RPZ	
ADRIAN (ADG)	3-26-SBGP-7711	B-26-0001-3711	(attorney & expert witness fees)	Open
			Rwy 11/29 approach clearing -	
	3-26-SBGP-6509	D	final phase (design); Rehabilitate	
ALLEGAN (35D)	3-26-SBGP-7711	E-26-0002-1909	beacon (design)	Open
	2 24 SD SD 4 200		Rwy 11/29 approach clearing -	
	3-26-SBGP-6509	F 44 0004 4000	final phase; Rehabilitate beacon;	
ALLEGAN (35D)	3-26-SBGP-7711	E-26-0002-2009	Rwy 29 REIL replacement	Open
			Fuel farm improvements (card	
HILEGAN (25D)	2.24 CD CD 7410	1 24 0002 21104	reader); 10-unit T-Hangar -	
ALLEGAN (35D)	3-26-SBGP-7410	J-26-0002-2110*	design	Open
	3-26-SBGP-8111			
ALLEGAN (SER)	3-26-SBGP-8512	D 24 0002 221244	Construct Building - 10-unit T-	
ALLEGAN (35D)	3-26-SBGP-8813	D-26-0002-2212**	Hangar	Open
CADILLAC (CAD)	3-26-SBGP-6209	B-26-0015-1709	SRE building expansion	Closed
			Rehabilitate runway & taxiway	
CIPHILIC (CIP)	2.24 CD CD (200	D 26 0015 1000	lighting including guidance signs	G1 1
CADILLAC (CAD)	3-26-SBGP-6209	B-26-0015-1809	(design) & airfield paint marking	Closed
G. DW. L. G. (G. ID)	3-26-SBGP-6209	F 26 0017 1010	Rehabilitate runway & taxiway	
CADILLAC (CAD)	3-26-SBGP-7010	F-26-0015-1910	lighting including guidance signs	Open
GIPWI I G (GIP)	2.24 CDCD 0512	D 24 0015 2012	Construct taxiway (for hangar	
CADILLAC (CAD)	3-26-SBGP-8512	D-26-0015-2012	access) - design	Open
CARTILLO (CAR)	3-26-SBGP-8111	D 26 0015 2112	Construct taxiway (for hangar	
CADILLAC (CAD)	3-26-SBGP-8512	D-26-0015-2112	access)	Open
CADILLAC (CAD)	3-26-SBGP-8512	D-26-0015-2212	ALP & Exhibit A update	Open
EDEMONT (EEV)	2 27 CD CD (200	D 26 0025 1200	Animal control/security fencing	C1 1
FREMONT (FFX)	3-26-SBGP-6209	B-26-0035-1209	including gates	Closed
			Airfield drainage improvements	
			(Tanis drain culvert repair);	
EDEMONT (EEV)	3-26-SBGP-6610	B-26-0035-1310	Airfield crack sealing & paint	0
FREMONT (FFX)	3-20-SBGP-0010	B-20-0033-1310	marking	Open
EDEMONT (EEV)	3-26-SBGP-6509	E 26 0025 1500	Rehabilitate taxiway (hangar area	Classi
FREMONT (FFX)		E-26-0035-1509	taxilanes) - design	Closed
	3-26-SBGP-7711		Rehabilitate taxiway (hangar area	
FREMONT (FFX)	3-26-SBGP-8512	B-26-0035-1611	taxilanes)	Open
		TOURS OWNERS A SERVICE SERVICE SERVICE STREET OF THE SERVICE S	Improve fuel farm - install card	
FREMONT (FFX)	3-26-SBGP-8512	D-26-0035-1712*	reader	Open
HARBOR SPRINGS (MGN)			FY 09 NPE Transferred to OZW	N/A
HARBOR SPRINGS (MGN)			FY 10 NPE Transferred to OZW	N/A
HARBOR SPRINGS (MGN)			FY 11 NPE Transferred to OZW	N/A
HARBOR SPRINGS (MGN)			FY 12 NPE Transferred to JYM	N/A
mandok Si kili (Si (ilidi)	7		Rehabilitate terminal apron -	18/74
MARLETTE (77G)	3-26-SBGP-6509	E-26-0062-1509	design	Closed
MARLETTE (//G)		L-20-0002-1309	design	Closed
	3-26-SBGP-6509			
	3-26-SBGP-7410			
MARLETTE (77G)	3-26-SBGP-8512	J-26-0062-1610	Rehabilitate terminal apron	Open

Location	SBGP #	Sub-Grant #	Grant Description	Status
MARLETTE (77G)	3-26-SBGP-8111	F-26-0062-1711	Acquire Land for RPZ or approaches - Rwy 19 - parcels E19 & E20 - consultant phase	Open
MIO (51M)	3-26-SBGP-6509	E-26-0156-0409	Construct Runway 10/28 (3000' x 75') including MIRL, taxiway connector, entrance road, & approach clearing parcels 3, 4, 5, 6 & 7 (design)	Closed
MIO (51M)	3-26-SBGP-6509	E-26-0156-0509	Approach clearing for Runway 10 (on parcels 3, 4 & 5)	Closed
MIO (51M)	3-26-SBGP-8512	D-26-0156-0812*	Construct fuel farm including Integrated Contingency Plan (SPCC/SWPPP) - design	Open
MIO (51M)	3-26-SBGP-8512	D-26-0156-0912*	Construct fuel farm	Open
NEWBERRY (ERY)	3-26-SBGP-5508 3-26-SBGP-6209 3-26-SBGP-6610	B-26-0042-1010**	Construct box hangar	Open
NEWBERRY (ERY)	3-26-SBGP-5508 3-26-SBGP-7410	F-26-0042-1110	Exhibit A property map update including boundary survey	Open
NEWBERRY (ERY)	3-26-SBGP-7711	B-26-0042-1211	ALP update	Open
NEWBERRY (ERY)	3-26-SBGP-8111	F-26-0042-1311	Acquire SRE (displacement plow)	Open
NEWBERRY (ERY)	3-26-SBGP-8512	D-26-0042-1412	Install AWOS - replace components	Open
NEWBERRY (ERY)	3-26-SBGP-8512 3-26-SBGP-8813	D-26-0042-1512	Rehabilitate Runway - Airfield Crack Sealing & Paint Marking	Open
ONTONAGON (OGM)	3-26-SBGP-6610	B-26-0074-1210	Wetland delineation for crosswind runway (2500' x 100')	Open
ONTONAGON (OGM)	3-26-SBGP-6610	B-26-0074-1310	Feasibility Study for Runway 17 RPZ & approach clearing Land acquisition (final	Open
OWOSSO (RNP)	3-26-SBGP-6509	E-26-0075-1509	condemnation costs for E60 & E61)	Closed
OWOSSO (RNP)	3-26-SBGP-6509	E-26-0075-1609	Rehabilitate center portion of parallel taxiway	Closed
OWOSSO (RNP)	3-26-SBGP-6610	B-26-0075-1710	Land acquisition - additional final condemnation costs for parcels E60 & E61	Open
OWOSSO (RNP)	3-26-SBGP-6610	B-26-0075-1810**	Design of 10-unit t-hangar	Open
OWOSSO (RNP)	3-26-SBGP-6509 3-26-SBGP-7010 3-26-SBGP-8512	F-26-0075-1910**	Construct 10-unit t-hangar including site preparation	Open
OWOSSO (RNP)	3-26-SBGP-8111 3-26-SBGP-8512	F-26-0075-2011	Rehabilitate beacon (remove & replace including tower)	Open

<sup>\*</sup>Revenue generating fuel farm project

\*\*Revenue generating hangar project

#### Methodology

The DET ADO applied FY-2011 AIP Grant Documentation Index and Checklist to each grant/sub-block grant subject to this audit review. Forms and procedures are outlined in FAA Order 5100.38C, paragraph 1095 and the Michigan SBGP Memorandum of Agreement. A spreadsheet was provided to MDOT AERO with a request for specific documentation. Once the documentation was received, the spreadsheet was populated with the document dates. The documents not provided were classified into the following categories:

- 1. Items requested but Not Found in MDOT files will be noted in the report.
- 2. Items requested that MDOT determined N/A with an explanation.

The follow up information provided adequate documentation and explanation for each item requested. The spreadsheet was populated with either the document date or an explanation.

#### **Summary**

## **Grant Agreement and Supporting Documentation**

MDOT AERO utilizes an alternative method for sub-block grant agreements and supporting documentation.

MDOT AERO conducts annual Michigan Airport Planning (MAP) meetings. At the MAP meeting, the Sponsor's draft Airport Capital Improvement Program (ACIP) is reviewed by attendees that include MDOT AERO staff (Block Grant Coordinator, Program Manager, Environmental, Land, Planning), Sponsor representative(s), Airport Manager, Sponsor's consultant, and occasionally FAA ADO staff. Requested revisions to draft ACIP are provided to Sponsor based on discussions during meeting. These could include a request for additional justification documents as part of final ACIP submittal. A sponsor will generally leave their MAP meeting with guidance for what is proposed for funding based on eligibility and justification for the next few years.

Final ACIPs are typically due 1 month after their MAP meeting. Once final ACIP's are received, MDOT AERO finalizes the sponsor's programming in their Master ACIP. The final ACIP includes all block-grant airports and is provided to FAA ADO by December 15th.

For current program year, MDOT AERO will transfer project funding before the Michigan Aeronautics Commission for a sponsor's planned development project or projects. Timing of transfers is dependent on a number of factors such as funding availability, receipt of sponsor/consultant proposals and review, completion of environmental determination or land acquisition (if phased project), bidding schedules, etc. MDOT AERO cannot enter into a contract with an airport sponsor without prior approval of the Michigan Aeronautics Commission.

MDOT AERO Project Manager requests the appropriate federal project number to use through MDOT AERO Programming Section. Job and Item number requests are made through MDOT AERO Planning to set up the project.

When ready, the project manager requests a Sponsor Contract (SC) for the project. The SC is a contract between MDOT AERO and the Airport Sponsor. The request is made to the Programming Section. The SC consists of a checklist and Exhibit 1 that is initiated based on established fees and/or bids by the Programming Section. The SC checklist and Exhibit 1 are provided to the MDOT AERO Contract Administrator for contract processing.

The Contract Administrator sends an original and one copy of the SC to the Sponsor for signature. See copy of form letter. When the signed SC is received back from Sponsor, it is executed by the MDOT AERO Director. Copies of executed SC are provided to the appropriate MDOT AERO staff and MDOT AERO Finance. Notice-to-Proceed is provided by MDOT AERO as necessary for start of project.

#### Sponsor Risk Level

MDOT AERO considers all their block grant locations to be nominal risk. Currently, there is no requirement to document risk levels for SBGP locations.

## **Preliminary Documentation**

Preliminary documentation includes the Project Evaluation Review and Documentation Analysis (PERADA) for discretionary grants only, FAA Form 5010, environmental documentation, coded program sketch, applicable reimbursable agreement(s), and any applicable TSA security approvals. PERADA and master airport record data is reviewed annually during the MAP meetings. Environmental documentation is filed with the sub-block grants. Typically, Sponsors provide a location sketch for their proposed projects as part of their ACIP submittal. During the development of the project, the Programming Engineer and/or Project Managers could receive additional sketches, drawings, and pictures for planned work. When funding is available, MDOT AERO sends "Programming" letters to Sponsors which notifies them what MDOT AERO has programmed to fund for the current year.

# Revenue Producing Aeronautical Support Facilities Justification, Documents and Determinations

## Background

Per 49 USC § 47102(24), fuel farms, hangar buildings, self-service credit card aeronautical fueling systems, air plane wash racks, major rehabilitation of a hangar owned by a sponsor, or other aeronautical support facilities that the Secretary determines will increase the revenue producing ability of the airport are the definition of revenue producing aeronautical support facilities. The law specifically states: "The Secretary may decide that the costs of revenue producing aeronautical support facilities, including fuel farms and hangars, are allowable for an airport development project at a nonprimary airport if the Government's share of such costs is paid only with funds apportioned to the airport sponsor under section 47114 (d)(3)(A) (nonprimary entitlement) and if the Secretary determines that the sponsor has made adequate provision for financing airside needs of the airport."

#### Project Funding

The Federal share of the cost of allowable revenue-producing facilities can only be funded with non-primary entitlements. State apportionment and discretionary funds cannot be used for the Federal share of these project costs.

#### Types of Facilities

Current policy limits eligibility to hangars and fuel farms as revenue-producing facilities. The intent of the statute is to support the construction of "new" facilities which "add additional revenue producing capability" for the facility; however, the FAA will review acquisition of existing facilities on a case-by-case basis. An improvement to existing facilities requires approval from FAA headquarters. Replacement of facilities is only allowed if there is a demonstrated need and the replacement increases capacity.

#### Airside Development Needs

The law requires that requires the FAA to determine if the sponsor has made adequate provision for funding the airport's airside needs before a grant can be issued for the construction of an allowable revenue-producing facility. To facilitate this determination, the sponsor must:

- 1. Provide documentation outlining the airport's airside development needs and a financial plan for addressing those needs.
- Demonstrate that the airport meets safety critical standards for Runway Protection Zone (RPZ)
  and Runway Safety Areas (RSA). This is a prerequisite condition for consideration for funding
  revenue producing development projects.
- 3. Have clear approaches and the published approach and airfield category must match the current approved Airport Layout Plan (ALP).

As an example, a low Pavement Condition Index (PCI) rating (or a "Fair" 5010 runway condition) would indicate a need to invest in the airport's runways before funding a revenue-producing facility. The financial plan can include AIP funding. However, keep in mind that the FAA must fund the highest priority work with entitlement funds and revenue-producing facilities can only be funded with entitlement.

If an airport's capital improvement plan (CIP) identifies a need for Discretionary/State funding in the next three years, the FAA will not approve funding for a revenue-producing facility. "Per 49 USC § 47110(h), the sponsor must certify that all airfield needs have been accommodated. Per FAA policy, the sponsor must adequately demonstrate to the ADO that airside needs within the next three years will be accommodated through local funds or nonprimary entitlement funds. It is APP-500 policy that the sponsor will not be considered for discretionary during that time.

## Fuel Facilities - Ineligible costs

Some costs related to a fueling facility improvement are not eligible under the AIP.

- 1. Costs associated with maintenance, including replacement or upgrades of existing fuel systems.
- 2. Replacement of existing pumps with card reader pumps.
- Costs associated with demolition of an existing fuel farm, environmental mitigation, and cleanup.

#### Requirements for Hangars

The construction of aircraft hangars requires the Sponsor to meet additional conditions. Before AIP funding can be approved, the sponsor must comply with the following:

- In situations where the sponsor delegates management of a hangar to a FBO, the FBO becomes
  an agent of the sponsor and can receive an administrative fee for this service. The sponsor must
  enter into a short-term lease/management agreement for this service, which is separate from the
  FBO lease agreement.
- 2. The FBO can offset direct expenses related to the management/operation of the hangar. (i.e., maintenance, utilities, and insurance costs) against the revenue produced from any subleases.
- The airport must receive the revenue generated from the subleases that is not offset by the FBO's expenses and/or administrative fee. The primary purpose is to provide revenue to the airport, not the FBO.
- 4. The hangar can only be used for storage of aircraft (no proration for other aeronautical uses, i.e., maintenance, paint shop, aircraft restoration, etc.).
- 5. The FBO must make the hangar available to all aeronautical users without discrimination and cannot make it available only to their customers.
- 6. Aeronautical users cannot be denied the use of the hangar if they do not obtain services from the FBO (i.e., purchase of fuel).
- 7. Title to the hangar must remain with the sponsor.
- 8. No improvements are to be made to the hangar without sponsor approval.

#### **Project Documentation**

The Sponsor must submit the following documents to the FAA before a project's eligibility for AIP funding can be approved:

- 1. Statements that airside development needs have been met, or a financial plan to fund airside needs over the next 3 years.
- 2. Justification for the project.

Insufficient or incomplete documentation will require additional submittal from the sponsor or may result in a determination the proposed project is ineligible for AIP funding. Additionally:

- The FAA will base other aspects of the proposed eligibility determination on current AIP eligibility guidelines as described in FAA Order 5100.38 and as amended by official program guidance letters.
- 2. All projects approved under this provision must be identified on an approved ALP. Construction of these facilities cannot progress until the FAA issues an approved airspace review determination letter.

The intent of the law is to provide for the construction of facilities to generate additional revenue for the operation, maintenance, and development of nonprimary airports. Sponsors must maintain complete documentation of all revenue received from these facilities for the purpose of a third party audit. The FAA may periodically review these records to ensure that the airport is receiving sufficient revenue.

Of the ten airports selected for this audit, five had revenue producing projects within the last five years including three with an airside-need project in less than three years. This triggered a review of the SBGP history to identify revenue generating projects. The most conspicuous example that resulted from the SBGP history review was Grayling (GOV). The project history for GOV indicates that \$690,512 of entitlement funding went toward the general aviation fuel farm from 2009 through 2013. The current ACIP indicates that GOV has a major runway project slated for FY-2015 through 2016 and will be requesting \$3,293,055 of discretionary funding and only contributing \$323,145 of entitlements.

Based on the data provided by MDOT AERO, in the past 11 years more than \$10 million has been spent for revenue producing projects. MDOT AERO shall ensure the sponsor has made adequate provisions for financing airfield projects that are currently required before revenue-producing work. Alteration and repair of existing facilities depends upon potential environmental issues and whether such facilities have an adequate remaining useful life.

#### Funding, Financial and Progress Documentation

For each funded sub-block grant, the MDOT AERO Project Managers (PMs) provide periodic site inspections and project status reports regularly. The PMs are actively involved with the projects so they are aware of the general activities as the project progresses. The MDOT AERO uses a computer software suite of programs called FieldManager for project management tracking, payment and bidding (by MDOT AERO or local) for construction projects. This software maintains the records for all of the construction pay items and Inspector's Daily Reports (IDR). This system is updated for MDOT AERO Project Managers when a consultant submits a pay request for the construction work they are supervising. MDOT AERO still maintains original signature change orders in the PM files but payments and IDR are maintained electronically within FieldManager. Point of Contact (POC) for the FieldManager program is Carol Aldrich at 517-335-9804. MDOT AERO does not use a Summary of Change Orders format in their project tracking. Change Order documentation is downloaded into FieldManager and tracked by individual project number.

DET ADO has a FieldManager software license provided by MDOT AERO to the FAA. Currently, there are security issues with the software that does not allow live access through the FAA network. Project files have been provided upon request, by MDOT AERO, for download and viewing through FieldManager for this audit. Project data population is still developing for active construction projects. Design, land acquisition and planning projects are not documented in FieldManager.

### Sponsor's Certification of Consultant Selection

MDOT AERO signed an umbrella master terms and conditions which covers all the SBGP locations; this document is on file at the DET ADO. However, each sponsor must sign individual terms and conditions agreement prior to accepting AIP grants through MDOT AERO. The FAA does not participate in the Consultant Selection process per the MOA with MDOT.

#### **Construction Management**

MDOT AERO PM has access/rights to review and resolve aeronautical studies, including construction safety phasing plans within the Obstruction Evaluation/Airport Airspace Analysis (OE/AAA) website. MDOT AERO PM sends an email with the screen print from the OE/AAA database attached to transfer the airspace review comments to the applicable airport and consultant. These comments are also discussed during each of the preconstruction meetings attended by the Project Managers to make sure everyone involved in the construction project is aware of these concerns. The airspace case number and determination date are provided to document MDOT AERO's review and approval of the aeronautical studies. Airspace Determination letters from 2012 on are now being uploaded into OE/AAA for future reference. A cross-reference to the airspace case number and determination date should be sufficient to document the performance of this activity. Proper OE/AAA procedure is to generate proponent letters from the system and save a copy of the letter in OE/AAA.

## Plans and Specifications

MDOT AERO signed an umbrella master terms and conditions which covers all the SBGP locations; this document is on file at the DET ADO. However, each sponsor must sign an individual terms and conditions agreement prior to accepting AIP grants through the MDOT AERO.

#### Engineer's Estimate, Bid Tabulation and Supporting Documents

Appropriate engineering estimates were provided. Bid tabs were provided for all non-planning or land acquisition grants.

#### Land

MDOT AERO signed an umbrella master terms and conditions which covers all the SBGP locations; this document is on file at the DET ADO. However, each sponsor must sign an individual terms and conditions agreement prior to accepting AIP grants through the MDOT AERO.

#### **Construction/Equipment Contracts**

MDOT AERO signed an umbrella master terms and conditions which covers all the SBGP locations; this document is on file at the DET ADO. However, each sponsor must sign an individual terms and conditions agreement prior to accepting AIP grants through the MDOT AERO.

#### Change Order/Supplement Agreement

Change Orders/supplement agreements were provided for all appropriate sub-block grants.

## **Planning**

No planning issues were found in the sub-block grants.

## Final Project Acceptance and Inspection Documents

Appropriate sponsor's certification of construction project final acceptance was provided as a screen shot from FieldManager software.

## **Owner's Final Report**

MDOT AERO provides owner's final report with their block grant closeout not individual sub-block grants.

# FAA Final Cost Review/Final Project Report

MDOT AERO provides final cost review/final project report with their block grant closeout.

#### **Contracts for Personal Services**

Appropriate engineering and/or architectural contracts were provided.

## **Local Audit Reports**

There were no local audit reports provided for any of these locations.

## **Photographs**

MDOT AERO did not require the collection of pre and post construction photographs. However, pre and post construction photographs are required by FAA order. DET ADO realizes that pre and post construction photographs cannot be retroactively collected. However, beginning with the 2012 construction season, DET ADO requires a dated representative pre and post construction project and equipment photograph to be provided with the sub-block grant to validate work performed. For the large, complex or unique projects, MDOT AERO will take photographs throughout construction and have them available on their network drive. The MDOT AERO PMs who provide periodic site inspections and project status reports regularly will collect the photographs or acquire them from the onsite personnel. The Project Managers are actively involved with the projects so they are aware of the general activities as the project progresses.

## **Schedule of Findings**

Items request but not Found in MDOT files	Location	Sub-grant #
Airspace Determination	Fremont	B-26-0035-1712
Engineer's Estimate	Cadillac	B-26-0015-1709
Pre-construction Photographs	Adrian	B-26-0001-3309
	Cadillac	F-26-0015-1910
	Fremont	B-26-0035-1209

	Fremont	B-26-0035-1310
Post-construction Photographs	Adrian	B-26-0001-3309
e e e e e e e e e e e e e e e e e e e	Cadillac	B-26-0015-1709
	Fremont	B-26-0035-1209

Items requested that MDOT determined N/A	Location	Sub-grant #	MDOT AERO's Rationale
FieldManager Screen Shot	Allegan	D-26-0002-2212	N/A - no explanation provided
Review Contract Documents	Cadillac	B-26-0015-1709	N/A - no explanation provided
	Fremont	D-26-0035-1712	N/A - no explanation provided
	Newberry	B-26-0042-1010	N/A - Local let
	Owosso	F-26-0075-1910	N/A - Local let
Construction Management	Allegan	E-26-0002-2009	Not required – no pavement
Plan	Allegan	D-26-0002-2212	Not required – pavement less than \$250,000
	Cadillac	B-26-0015-1809	Not required – design only
	Cadillac	F-26-0015-1910	Not required – no pavement
	Marlette	J-26-0062-1610	Not required - pavement less than \$250,000
Engineer's Estimate	Cadillac	B-26-0015-1809	N/A – Statewide Contract
Bid Tabulation	Cadillac	B-26-0015-1809	N/A – Statewide Contract
Pre-construction Photographs	Cadillac	B-26-0015-1809	N/A – Statewide Contract
Post-construction Photographs	Cadillac	B-26-0015-1809	N/A – Statewide Contract
Equipment Photograph	Newberry	F-26-0042-1311	N/A - Project not complete

# Conclusion

Overall, the Michigan Department of Transportation, Office of Aeronautics' (MDOT AERO) grant management process is being followed for the ten airports audited.

## Attachments

Attachment 1: SBGP 2014 Airport Audit Analysis Spreadsheet

Reimbursible	_	WW WW		A A	C .	N/A	N.N.	N.A.	NS NS		NA ST	4 4 2 2	NA.	1		N/A.	NVA	N/A N/A	NA	NUA	N.N.	K K	NIA	N.W	N.N.	N.A	* * * 2	* N		s s	N.N.	NIA		N/A N/A		N/N	N.A	X X	N N	NIA	NAM
Equipment		2 2		N/A		NA	NA	NOA	N/A		N.W	V V	N/A	2		N/A N/A	N.N.	N.A.	N.W	N/A	N/A	V V	N/A	N/A	N/A	NA	4 4 X	N/N		K K	N/A	NA	NA	N/A open project	10/11/2011	N/A	Y I	N/A	N/A	N/A	NA
Post-construction Photographs if		*102201		NA		NiA	N.N.	N.N.	4.7		C 1	2 2	None	1		N/A	NA	None	NA	NA	02/26/14	X X	NA	NA	NA	N/A	g g	NA		0306714 N/A	NA	NG	NOA	N/A N/A	NA	99/2013	4 to	N/A	N/A	NA	NA
Pre-construction Bedramanke	Photographis	N.02		Nov	3	N/A	N/A	N.A.	N/A		N.A.	03/10/14	06/07/12	2		N/A	05/07/12	None	None	NA	02/26/14	NA	NA	NA	NA	NOA	N/A	NA		03/06/14 N/A	03/06/14	6/21/2006	NA	N/A N/A	NA	9/9/2013	N.A.	NA	08/25/10 N/A	NGA	06/20/05
Jen - Closecut Documentation or Block Grant Reference Number P		N/A		3-26-58GP-6209		V.N	N/A	E C	4 4 Z		W 4/2	4,2	90/61/20	90,4404		N/A	N/A	062813	N/A	09/26/13	N/A	N/A	NA	N/A	NA	09/26/13	K K	09/26/13		DS/26/13	NA	NA	NA	N/A N/A	NA	NG	NOW NOW	9/26/2013	N/A	NGA	N/A,
Jen- MDOT Financial final if	Described		-	3-29		NA	NA S	NO.	K KN		K 8/2	N N	08/21/12	08/21/12		N/N	NA E	07/02/10	N/A	05/07/13	NA	K K	N/A	N/A			N.A.				N/A	N/A	N/A	N/A N/A	NA	N.A.	N. 1	10		N/A	NA
Owner Final Report (final SF- 270 or SF-271) Discretionary public discreted	orsy if closed	100		NA NA		NA	N/A	44	N.A.	200	NIA	N.A.	N.A	s z		K K K	NA	NA	NIA	NIA	NA	N. N.	NIA	NIA	NIA	C :	Z Z	NA		2 42	NIA	NW	N/A	NA	NIA	SZ I	C 1	NA	X X	K/N	NIA
Engineer's Final Inspection Screen Shot From FieldManager if	020990	MA-1 and		NFI - Statewide		NA - Cand	N/A - Land	illinoon, was	N/A - Land N/A - Design	GARDINGO	N/A - Design	N/A	NA	NR - Design		N/A	N/A Dismiss	10/29/09	01/14/11	N/R - Design	01/24/13	N/A - TXFR	N/A - TXFR	N.A - TXFR	N/A - TXFR	NH Design	N.A - Land	NF - Design		NA	NA	NA	NA	NA - Planning NA - Equip	NA - Equip	confact N.0	N/A - Planning	NR-Land	N/A - Land	N.A. Design	NOA
venge Orders if	1 - 03/04/10 2 - 03/03/10 deleted 3 - 5/25/10 4 - 06/24/10	478	1	C 2		400	N/A		NA NA	578	N/A	1 - 08/19/13 2 - 12/13/13	2 - 04/10/10	4 2	2 - 10/14/11	NA	NA	60/800	N/A	NA	11/27/12	NA	N/A	N/A	N.N.	07/25/12	N.A.	NA	- 02/05/11	N/A	None to date	1-0607/10	N/A	NA	N/A	V 97	6 N	NA	N.A.	N/A 1-12/13/12	2-05/16/13
Buy American Walver	N.A.	1 20	N.O.	N/A	1	MA	4 4 X		N/A	12	N.N		NA	N.A.		N.A.	N/A	N/A 1	N/A	N/A	NA 1-1	K.N	NA	NA	N/A	- 0	4		+ 0/1		NA	N/A		N/A 9/18/2012		V 170	472	N/A	N/A	N.A	N/A
r's Bid Tabulation		_	4.72	AN HA		5	4 4 2		NA NA	9	+	9		N/A design and and statewide statewide		N/A	4 02/04/14	++	0 0806/10	NA	2 080312		NA	N/A	NA			N/A	-			4/2/2010		11	9/10/2013	N/A	N/A	-	N/A	_	03/22/11 05/10/11
Engineers			270	MA		MA	N. N.A.		NOA NOA	8		- 4	Not Found	Z		NA	02/04/14 N/A	Ħ	0806/10	N/A.	080312		NA	N/A.	NIA	9	H	NA	,	Н		10/14/2009	NOA	11/08/11	11/08/1	NA	N.A.	- 1	H	T	03/22/11
Airapace Determination	-		8 2	NA NA	874		e e		N/A	8				04/09/08		NA	01/15/13		07/05/10	N.N	08/16/12 Month		N:A	N/A	A'N	8	_	NA	2			4/27/2010	NA	N N	W.W.	W. A.N	N.A	8	Ш	-	05/02/11
Construction Phasing Plan	2009-AGL-1145-NPA	N.A	4/8	NR	12		e e		N/A	2011-AGL-3643-3554- NRA -REIL Beacon 3655-56 REIL 3657-3653- Obstruction	2012-AGL-1952-NRA	2013-AGL-1421 llmu 1430-NRA	2009-AGL-1433-NRA	2008-AGL-0032-NRA	A STATE OF THE A	N/A	2013-AGL-0014-NRA NA	19-AGL-0616-NRA	2010-AGL-1655-NRA	NA	2012-AGL-3782-NRA 04/16/13	NA	N/A	N/A	N/A N/A	2012-AGI-1350-NHA	NA	NA	SOLUTION CONTRACTOR	N/A	3-AGL-3479-NRA	2010-AGL-0749-NRA	N/A	NA	N/A	NA	NA	N/A MARCH JOSEN MEA		NA	2011-AGL-1454-NRA
Construction Management Cor Plan	_		V.N	NA	5 2		K KN	NI W	NA	201 N/A 3655			N/H 200	NA 200		Ì	NA 201		NIR 201	N:A	N.R. 201		NIA	N/A	NW.A			NA	OC BUN			N.H. 201	HN	NA	V 42	N.N	N.A	N.A	NA		NA 201
FieldManager Screen Shot Review Co Contract Ma			NA	NR	Nis		N/A	Min	NA	122211	N/A	N/A	NA.	05/24/12	06.03449	N/A	06/13/13 N/A	60,828,09	10/04/10	N.A.	10/22/12 NA	N.A	KN	N/A	NA	09/07/12	NA	N.W.	06001/11	N.A	07/06/13	n'a - local let	N/A	N/A	V V	N.A	N.M.	N/A 0000000	N.N.	N/A	n'a local let
Sponsor Quarterly Reports Discretionary only	N.A	4.12	NA	NA	N/A		V V	N/A	N/A	NOA	NIA	NA	NA	NA	NA	NA	N/A N/A		NOA.	NA	N/A N/A	NA	NA	NA	NOA NOA	N/A	NIA	NA	NA	NOA	NA	N/A	NA	NA	NUA NUA	NA	NA	N/A	N/A N/A		NA
One Page roject Diagram Disc	02/28/14	Exhibit 'A" 02/04 11/8/2013	Exhibit 'A" 02/04 11/8/2013	N.A	Exhibit 'A' 02/04	Exhibit 'A' 02/04	02/28/14	Exhibit 'A' 02/04	03/01/11	03/01/11	12/01/11	07/01/11	05/01/09	01/01/10	110110	03/13/12	03/13/12 N/A	13/24/09	05/11/10	02/20/12	12/07/12	NA	NA	NA	N.A 03/01/11	03/01/11	04/26/13	01/01/10	0300130	01/11/12	31/11/12	1/8/2007	0102220	NA	No.	8/25/2010	NA	04/14/11	02/28/11	ancour .	07/23/09
Current Airport Master Record 5010 Proj		in	11/06/13 1				11/08/13			11/08/13			11/06/13	11.00/13		11/08/13	11.08/13	H	11,08/13	11/08/13	11,08/13	NA	N/A	N/A	6		Н	11/08/13	11,08/13	Н	+	11.08/13	+	11/06/13	+	-				-	11,08/13
Environmental Cur Documents CATEX, Maa EA, FONSI	60/60/10		EA 03				03/01/13		A 07	06/30/09 - EA 07	. 60		01/09/08	02/02/10 & 03/02/09	-	02/13/12	12/06/11		03/02/09	12/02/11	12/07/11		NA	NA	N/A 01/12/11			EA 2007	EA 2007					12/06/11		201	750	EA 04			01/31/08
PERADA En discretionary Docu- grants only		MA	NA	N/A	N.M	NIA.	N/A	N/A		N.A			NA	N/A 02/02		N/A	N/A N/A	N/A	N/A	NA	N/A N/A	NA	N.A	NW	N/A N/A	NA	N/A	N.A	N.N.	NA	NA			N/A				N/A N/A	N.A.		NA
Betsy - MAP Meeting Date di for grant year g		11/19/09	01,60,60	09/09/10	09/08/11	11/10/13	11/19/12	11/19/12	09/09/10	01/60/60	09/14/11	09/05/12	10/27/08	11/04/09	01/21/0	11/21/11	09/26/12	11/14/08	11/10/09	11/2//11	11/17/11	10/13/08	11/17/09	09/13/10	10/04/11	08/25/11	091212	10/15/09	11/04/10	09/20/12	21,02/60	9/15/2009	9,22,2010	10/11/11	10/4/2012	9/1/2009	08/27/12	08/27/09	08/27/09		08/25/11
Professional Services Agreement		NA	NA	N/A	NA	MA	04/23/13	NGA	05/23/11	08/29/11	07/18/12	07/08/12	06/02/09	01/27/10	05/27/11	04/12/12	12/12/12	06/22/09	040610	03/22/12	04/02/12	NA	NA	NA	N/A 04/28/11	07/20/12	NA	00/23/10	10/25/10	02/29/12	03/04/13	4/5/2010	829/2011	07/12/12	06/06/12	10/15/2010	12/18/12	N/A 04/02/10	N/A 02/10/11		03/23/12
Betsy - P	4.22	N/A	NA	N/A	N/A	672	N/A	N/A	N/A	2011-0453-41	N/A	2013-0292-A1	N/A	NA	NA	N/A	N/A	N/A	N/A	N/A	N/A N/A	NA	NA	NA	N/A N/A	N/A	N/A	NA	N/A	N/A	NA	N/A	N/A N/A	N/A	N/A	N/A	N/A	2010-0063/A1 N/A	NA		2012-0364 A1
Betsy - MDOT Sponsor Project Contract	2009-0645	2010-0455	2011-0300	2011-0520	2012-0663	2013-0126	2013-0232	2013-0288	2011-0308	2011-0483		2013-0292	2009-0727	2010-0268	2011-0362	2012-0556	2013-0178 2	2009-0646	2010-0457	2012-0400	2012-0723	NA	NA	NA	N/A 2011-0315	2012-0485	2013-0518	2010-0272	2011-0023	2013-0016	2013-0250	2010-0257	2011-0305	2012-0777	2013-0317	2010-0502	2013-0054	2010-0063 2			2012-0364
Betsy - Eraitlement Transfer S	NA	NA	NA	NA	NIA	V.V	NA	NA	NA	N.A	NIA	NA	N/A	N/A	NA	H	N/A N/A		NA	N/A	N/A N/A	12/21/09	11/23/10	11/18/11	11/29/12 N/A	NA	NA	NA	NA	NA	200	N/A	N/A N/A	N/A N/A	N/A	NA	N/A	NA	N/A N/A		NA
Grant Application including all attachments discretionary grants only		NA	NA	NA	NGA.	NA NA	NOA.	NUA	NA	NIA	NA	NA	NA	NA	NA	NA	N/A N/A	X.N	NVA	NA	N/A N/A	NA	N/A	NA	N/A N/A	N/A	N/A	NA	NA	N/A	NW	NA	N/A N/A	N/A N/A	NIA	N.A	NA	N/A N/A	N/A N/A	-	W.W.
Grant Agreement discretionary grants only	NA	N/A	NA	NA	NA	N/A	NA	NA	N/A	NA	N/A	NIA	NA	NA	NA	NA	N/A N/A	N/A	N/A	N/A	N/A N/A	NA	N/A	N/A	N/A N/A	NVA	NA	NVA	NA	N/A	4	N/A	N/A N/A	NA	NA	NA	NA	N/A N/A	N/A N/A	N/A	Y :
Documentation dis Chacklist	10116/13	10/16/13	10/16/13	10/16/13	10/16/13	10/16/13	10/16/13	10/16/13	10/16/13	10/16/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	NA	NA	NA	N/A 11/01/13	11/01/13	11/01/13	11,01/13	11/01/13	11/01/13		11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	11/01/13	********	11/01/13
Status	Closed	E60- Open	E60- Open	Closed	Open			Open		obeu	Open	Open	Closed	Obsed	Open	Open	Open		_	Closed	Open	NIA	N.W	NIA	Closed		Open	Closed	3.4 & Closed	Open		Open		Open		w Open	Open	Closed		Onne	Open
Sub-Grant Cescription	25-0001-3009 Recubilitate terminal agronn	Land acquisition condemnation costs (parcels E-26-0001-3110 E64 & E67) phase 1	Land acquisition condemnation costs (percels EAS 0001-3211 E64 & E67) phase 2	B-26-0001-3309 Airtield crack sealing	Land acquirition condemnation costs for Rwy 23 3-26-0001-3412 RP2 - phase 3 (parcels E60-E64 & E67)	3-25-0001-3510 Acquire Land for approaches or RP2 - parcel 6	Rehabitate Apron (exst) including west Parking 8-26-0001-3613 Lot - Deeign	Acquire Land - Rwy 23 HPZ (attorney & expert 9-26-0001-3711 (witness fees)	Flow 11/29 approach clearing - final phase (des E-26-0002-1909 Rehabilitate beacon (design)	Pay 11/29 approach cleating - final phase - 26-0002-2009 Rehabitide bescor Ray 29 REL replacement	J-26-0002-2110 Hungar - design	26-0002-2212 Construct Building - 10-unit T-Hergar	9-26-0015-1709 SRE building expansion	Rehabitate runsay & Laxiway igining ind guid B-25-0015-1809 signs (design) & anfeld pant marking	Retrabilitate runway & basway lighting Incl guids F-26-0015-1910 signs	+0015-2012 Construct training (for hangar access) - design	D-26-0015-2112 Construct termony (or hangar access) D-26-0015-2212 ALP 8 Exhibit A update	Animal confrol/security fencing including ga	B-26-0035-1310 repoil: Artified crack sealing & part marking Rehabilitation crack sealing & part marking Rehabilitations (Anny Cark States Institutes) -	-26-0035-1509 design	B-26-0005-1611 Rehabilide trekery (hangar area taxismes) D-26-0035-1712 Improve fuel farm-install card reader	12/21/09 NPE Transferred to U.ZW (agreement d. 12/21/09)	certied 11/23/10) FY 11 NPE Transferredto O.ZW (agreement	FY 12 NPE Transferred to JYM (agreement	Certified 11/29/12) E-26-0062-1509 Rehabilitate terminal apron - design	26-0062-1510 Rehabiliste terminal apron	Acquire Land for PP2 or approaches - Hwy 19- 26-0062-1711 parcele E19 & E20 - consultant phase. Constant Burness 10.29.0000 v 201 included	26-0156-0409 parcels 3 4 5, 6 & 7 (design)	Approach cleaning for Runway 10 (on parcels 3, 26-0156-0509 5)	D-25-0156-0812 Contingency Plan (SPOC/SWPPP) - design D-25-0146-0812 Contingency Plan (SPOC/SWPPP) - design	CONTRACTOR CONTRACTOR	Construct box hangar shibit A property map update including bour	unvey N.P. update	F-26-00a2-1311 Acquire SRE (displacement plow) D-26-00a2-1412 Instal AWOS - replace components	Rehabitate Runway - Aufted Crack Sealing & >26-0042-1512 Paint Marking	Wetland defineshon for crosswind natiway (250) 8-26-0074-1210 1001	B-26-0074-1310 charing		Land acquisition - add1 final condemnation costs   B-26-0075-1710   for parcels E60 & E61   B-26-0075-1810   Design of 10-unit t-hangar	ANTECIBIN Constitute 10 and Librarian incluibe recoveration	CO-0019-1910 CONSTRUCT TO THE PROPERTY OF THE
	3-26-SBGP-4406 (\$567.767) 3-26-SBGP-5007 (\$4.458) 3-26-SBGP-6209 (\$825.000) B-26	3-26-58GP-4610 B-26	3-26-SBGP-7711 B-26	3-26-58GP-6209 B-26	3-25-SBGP-8512 D-26	3-25-58GP-6610 (\$284.491) 3-25-58GP-8111 (\$95.509) B-26			3-26-58GP-6509 (\$28.512) 3-26-58GP-7711 (\$755) E-26	3-26-58GP-6509 (\$293.306) 3-20-58GP-7711 (\$53) E-26		3-25-58GP-8512 (\$150.000)	3-26-5BGP-6209 B-26		3-26-59GP-6209 (\$160.000) 3-26-59GP-7010 (\$291.250) F-26						3-26-58GP-8512 (\$65,720) 8-26 3-26-58GP-8512 D-26					3-26-580P-5410 (\$75,000) 3-26-580P-7410 (\$75,000) 3-26-58GP-8512 (\$73,006)	3-26-SBGP-8111 F-26	3-26-59GP-6509 E-26	3-26-5B3P-6509 E-26		3-26-58GP-5508 (\$42.936) 3-26-58GP-6209 (\$150.000)				3-26-59GP-8612 (57.203) 3-26-59GP-8613 (58.997) D-26	3-26-SBGP-6610 B-26	3-26-SBGP-6610 8-26	3-26-SBGP-6509 E-26 3-26-SBGP-6509 E-26		3-26-SBGP-6509 (\$150.000) 3-26-SBGP-7010 (\$235.700) 3-26-SBGP-8612 (\$16.000)	Г
Airport ID	ADG	ADG	ADG	ADG	ADG	ADG	ADG	ADG		380	380		CAD	CAD	CAD		CAD				H X	OMGN	GMGN	N S		776	776	MIG	MFG	M18				ERY		ОСМ	осм	RNP	RNP		
PM Location	AH ADRIAN (ADG)	AH ADRIAN (ADG)	AH ADRIAN (ADG)	AH ADRIAN (ADG)	AH ADRIAN (ADG)	ADRIAN (ADG)		AH ADRIAN (ADG)	ALLEGAN (35D)	AH ALLEGAN (35D)	ALLEGAN (35D)	ALLEGAN (35D)	BW CADILLAC (CAD)	CADILLAC (CAD)	CADILLAC (CAD)		CADILLAC (CAD)	1			FREMONT (FFX)	HARBOR SPRINGS (MCMGN	HARBOR SPRINGS (MGMGN	TANDON SPHINGS IN	MAREOR SPRINGS (MCMGN MARLETTE (77G) 77G	MARLETTE (77G)	MARLETTE (77G)	MIO (S1M)	MO (S1M)	MIO (S1M) MIO (S1M)				NEWBERRY (ERY)		BW ONTONAGON (OGM)	ONTONAGON (OGM)	OWOSSO (RNP) OWOSSO (RNP)	OWOSSO (RNP) OWOSSO (RNP)	OWOSSO (RNP)	

